## STATE OF VERMONT

## GREEN MOUNTAIN CARE BOARD

| In re: | Blue Cross and Blue Shield of Vermont | ) | GMCB-001-23rr            |
|--------|---------------------------------------|---|--------------------------|
|        | Large Group Filing                    | ) |                          |
|        |                                       | ) | SERFF No. BCVT-133551255 |
|        |                                       | ) |                          |

## HCA PROPOSED QUESTIONS FOR BLUE CROSS AND BLUE SHIELD OF VERMONT

The Office of the Health Care Advocate (HCA) submits to the Green Mountain Care Board (GMCB) the following actuarial and non-actuarial questions for Blue Cross and Blue Shield of Vermont (BCBSVT) in the above captioned matter.

- 1. On page 31 of BCBSVT's actuarial memorandum, there is a chart calculating the "Total Trend for Drugs Eligible for rebates".
  - a. Please clarify whether the dollar amounts in the column labeled "Experience Period Allowed Charges" represent spending in the specified drug categories before or after rebates?
  - b. We interpret the column labeled "Projected Allowed Charges after Contract Changes" to be an estimate of drug spending during the projection period *after* rebates. Is that correct?
  - c. What is meant by "Contract Changes"? Does "Contract Changes" include anything other than pharmacy rebates? If so, please provide a list of all items in the category of "Contract Changes".
- 2. Please provide the premium impact of the "contract changes" to the projected allowed charges shown in the chart on page 31.
- 3. Please provide the experience period rebates referenced on page 30 of the memorandum that BCBSVT uses to calculate projected pharmacy rebates.
- 4. Were the "Projected Rebates" noted in the chart on page 4 of the memorandum derived from the figures contained in the chart on page 31?

5. In the response to Question 8 of Objection 1, BCBSVT states that "pharmacy rebates continue to be lower than expected" and that RBC may be negatively impacted as a result. Please explain why pharmacy rebates "continue" to be lower than expected and estimate the impact on premiums of this phenomenon.

Dated in Montpelier, Vermont, this 13th day of March 2023.

s/ Eric Schultheis
Eric Schultheis, Ph.D., Esq.
Office of the Health Care Advocate
Vermont Legal Aid
56 College Street
Montpelier, VT 05602
Voice (802) 223-6377
HCAratereview@vtlegalaid.org

s/ Charles Becker
Charles Becker, Esq.
Office of the Health Care Advocate
Vermont Legal Aid
1085 U.S. Route 4, Suite 1A
Rutland, VT 05701
Voice (802) 775-0021 ext. 435
HCAratereview@vtlegalaid.org

## **CERTIFICATE OF SERVICE**

I, Eric Schultheis, hereby certify that I have served the above **HCA Proposed Questions for Blue Cross and Blue Shield of Vermont** on Michael Barber, Green Mountain Care Board General Counsel; Laura Beliveau, Green Mountain Care Board Staff Attorney; and Greg Boulbol Associate General Counsel of Blue Cross Blue Shield of Vermont in the above-captioned matters, by electronic mail, delivery receipt requested, this 13th day of March, 2022.

<u>s/ Eric Schultheis</u>
Eric Schultheis
Staff Attorney
Office of the Health Care Advocate
Vermont Legal Aid
56 College Street
Montpelier, VT 05602